University Department of Commerce and Business Management
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A Synopsis for Ph.D. registration

On

A Critical Evaluation of NABARD-

A Case Study of Ranchi District

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1. Introduction

1.1 Meaning of Critical Evaluation

Critical Evaluation refers to thorough and objective examination or assessment of something, such as an idea, concept, policy, institution, or any subject of study. It involves analyzing the strengths, weaknesses, opportunities, and threats, as well as considering different perspective and evidence. A critical evaluation often aims to provide a balanced and informed judgement, identifying areas for improvement or suggesting potential solutions. it involves careful scrutiny and thoughtful analysis to form a well-reasoned and constructive assessment.

Critical evaluation of an organization involves a comprehensive and objective assessment of various aspects of its performance, functions,strategies and impact. It also includes examining the organization's mission, vision and strategic objectives to assess aligment with it's goal. Assessing the effectiveness of internal processes and operations to identify areas for improvement and efficiency gains.

Doing so will provide valuable insights for organizational leaders, stakeholders and policymakers. It informs strategic decision making, and ensures the organization as well positioned to navigate challenges and capitalize on opportunities in its operating environment.

Performance appraisal is a close and a critical study of various measures observed in the operation of business organization. The concept of human body is similar to the concept of business organization. Human body requires medical checkup and examination for maintaining fitness, similarly the performance of a business organization has got to be assessed periodically.

The "Performance Appraisal", is composed of two words i.e., "Performance" and "Appraisal".Performance indicates how the management of an enterprise is accomplishing the goals, which they had set for the enterprise. "Appraisal" refers to a critical review of the activities for improving performance. It compares the actual performance with targets fixed, identified causes of significant variations and taken corrective actions.

According to *Robert Albanese* "Performance is used to mean the efforts extended to achieve the targets efficiently and effectiviely. The achievement of targets involves the integrated use of human, financial and natural resources."[1]

According to *Sudha Nigam*, "Appraisal is a technique to evaluate past, current and projected performance of concern."[2]

1.2 NABARD

The National Bank for Agriculture and Rural Development (NABARD) was established on July 12, 1982. It's prehistory can be traced back to the Agricultural Credit Department (ACD) and the Rural Planning and Credit Cell (RPCC) of the Reserve Bank of India.

The pre-establishment date line of NABARD is as under:

1947-1969- The ACD, of RBI focused on agricultural credit, coordinating with cooperative institutions and formulating policies to support rural credit.

1969-1975- The RPCC was established to promote integrated rural development by combining credit and developmental functions.

1975-1981- The need for a specialized institution led to the establishment of the National Agricultural Credit (NAC) Committee in 1975, which recommended the creation of NABARD.

1982- NABARD was officially established as an apex development bank with a mandate to uplift rural India by providing credit and promoting integrated rural development. It took over the functions of ACD and RPCC from RBI.

The recognition of the importance of institutional credit in boosting rural economy by the Govern ment of India led to the inception of a Committee under the able Chairmanship of Shri B. Sivaraman, former Member of Planning Commission on 30 March,1979, to review the Arrangements for Institutional Credit for Agriculture and Rural Development (CRAFICARD).

Based on the Committee's interim report recommendation, the creation of National Bank for Agriculture and Rural Development (NABARD) was approved by the Parliament through Act 61 of 1981 and the NABARD was finally formed on July 12,1982. This unique development financial institution was created to focus on credit related isues linked with rural development with this intent, the agricultural credit functions of RBI and refinance functions of the then Agricultural Refinance and Development Corporations (ARDC) was transferred to NABARD. It was dedicated to the service of the nation by the late Prime Minister Smt. Indira Gandhi on 05 November 1982. As a fully owned Government of India entity, NABARD continues to pen stories of prosperity in rural India.

Financial intermediary: NABARD acts as a financial intermediary between rural credit institutions and rural development agencies on one hand,and the Government of India on the other. **Ownership:** NABARD is owned by the Government of India and operated with the objective of fostering rural development and agriculture growth. **Credit Facilities:** NABARD plays a significant role in policy formulation related to rural credit, agricultural finance, and rural development. It works closely with the central government, state governments and other stakeholders to develope and implement policies aimed at rural development. **Policy Formulation:** NABARD plays a significant role in policy

formulation related to rural credit, agricultural finance,and rural development. It works closely with the central government, state government,and other stakeholders to develop and implement policies aimed at rural development. **Microfinance:** NABARD is involved in promoting microfinance initiatives to provide financial services to the unbanked and underserved sections of society,especially in rural areas.

NABARD as an organization has many offices from Head Office to Regional Offices to its subsidiary offices. The Head Office is located in Mumbai, which is divided into many departments,which helps a person understand how vast the operation of NABARD is, the department are as follows Accounts department, Business initiatives department, Central Vigilance Department,Corporate Planning Department, Corporate Communications Department, Department of Economic Analysis & Research, Department of Financial Inclusion and Banking Technology,Department of IT,Department of Refinance, Department of Storage and Marketing, Department of Premises Security and Procurement, Department of Subsidiaries and Startegic Investments, Department of Supervision, Law department, Finance Department, Farm Sector Development Department, Human Resource Management Department, Inspection department, Institutional development department, Micro credit innovation department, Off-farm development department, Rajbhasha prabhag, Risk management department, Secretary's department, State projects department, Strategic planning and product innovation department, department for Data management analytics and business management and Department of Climate Action & Sustainability.

NABARD has its head office at Mumbai, India and regional offices in all states and one special cell at Srinagar J&K. The Regional Office[RO] is headed by a Chief General Manager [CGMs] as Officer Incharge, and the Head office has several top executives viz the directors, Deputy Managing Directors(DMD), and the chairperson. The Board of Directors are appointed by the Government of India in consonance with NABARD Act. It has 336 District Offices across the country which are staffed by District Development Managers (DDMs). It also has six training establishments.

NABARD has 31 Regional Offices located in States and Union Territory, a cell at Srinagar, 04 Training Establishments in the Northern, Eastern & Southern parts of India and 414 District Development Managers functioning at district level.

NABARD has its own subsidiary offices namely NABKISAN, NABFINS LIMITED, NABFOUNDATIONS, NABCONS, NABSAMRUDDHI FINANCE LIMITED, NABVENTURES LIMITED, NABSANRAKSHAN.

As NABARD's Head Office is in Mumbai, along with head offices, there are Regional offices in all the states of India. The regional office of Jharkhand is in it's state capital, Ranchi, Officer In Charge- S.K. Jahagirdar. In every district of Jharkhand there are

DDM(District Development Managers). Ranchi's District Development Manager is Shri Dominic T Lugun.

NABARD is also known for its 'SHG Bank Linkage Programme' which encourages India's banks to lend to self help groups (SHGs). Largely because SHGs are composed mainly of poor women,this has evolved into an important Indian tool for microfinance. By March 2006, 22 Lakh SHGs representing 3.3 crore members had to be linked to credit through this programme.

In Jharkhand the credit delivery system operates through a network of Commercial Banks, Regional Rural Banks, Cooperative Banks, Small Finance Banks and payment Banks. As on 31.03.2022, the state has a network of 3211 bank branches of 27 commercial banks, one RRB, two cooperative banks i.e. one state cooperative and one District Central Cooperative Bank, four Small Finance Bank and one Payment Bank (India Post Payment Bank). The branch network of private sector banks, mainly SFBs are concentrated in urban and semi-urban areas. Besides, the state also has 4482 PACS/LAMPS serving rural areas.

1.2.1 Vision

Development Bank of the Nation for fostering Rural prosperity.

1.2.2 Mission

Promote sustainable and equitable agriculture and rural development through participative financial and non-financial interventions, innovations, technology and institutional development for securing prosperity.

1.2.3 Mandate

NABARD's primary manadate is to facilitate credit flow for agriculture and rural development. It aims to support various sectors such as agriculture, cottage, and village industries, handicrafts, and other rural crafts.

1.2.4 Objective of NABARD

- **Promoting Agriculture**

NABARD aims to promote agriculture and allied activities by providing financial and developmental support to farmers, agricultural cooperatives and agribusinesses.

- **Rural Development**
  NABARD focuses on holistic rural development by addressing infrastructure gaps, improving access to basic amenities and fostering inclusive growth in rural areas.
- **Financial Inclusion**
  NABARD works towards promoting financial inclusion by ensuring access to affordable credit and banking services for rural households, especially small and marginalized farmers.
- **Sustainable Development**
  It emphasizes sustainable development practices that promote environmental conservation, natural resource management and climate resilience in rural areas.
- **Poverty Allevation**
  It contributes to poverty allevation efforts by creating livelihood opportunities, enhancing income generational activities and empowering rural communities through skill development and capacity building.

  Overall, NABARD plays a crucial role in catlysing rural transformation and fostering inclusive growth, thereby contributing to the overall socio-economic development of India's rural landscape.

1.2.5 Functions

A. Financial functions

NABARD has many client banks and institutions that help and assist in the developmental activities in rural areas. By performing the financial functions, the National Bank for Agriculture and Rural Development or NABARD provides loans to these client banks and institutions like handicraft industries, food parks, processing units, artisans and many more.

B. Supervisory functions

As already discussed above, NABARD is the apex institution that looks after agriculture and rural development. This is why the responsibility of monitoring and regulating all the development activities and projects fall on this institution. Given this role, the NABARD performs supervisory functions in which it has to keep a check on all the client banks,

institutions, credits and non-credits societies that are a part of the developmental tasks taking place in the rural areas.

C. Development Functions

As you must be pretty much aware by now that the primary role of the National Bank for Agriculture and Rural Development or NABARD is to focus on developing sustainable agriculture and promote rural development, the bank performs development functions in an effort to stay true to this role. Under developmental functions, the NABARD helps rural banks prepare action plans for the developmental activities.

The National Bank for Agriculture or Rural Development or NABARD performs all the above roles and functions efficiently and has a great impact on the agricultural progress and rural development in the country.

D. Credit Facilitation

NABARD facilitates credit flow to agriculture and rural sectors by refinancing financial institutuions such as cooperatives banks, regional rural banks (RRBs) and commercial banks. It provides long term and short term credit for various agricultural and rural development activities.

E. Policy Formulations

NABARD engages in policy formulation and advocacy to address issues related to agricultural and rural development. It advises the government [on policies, programs and strategies to promote rural welfare economic growth.

F. Research and Development

NABARD undertakes research and development activities to identify emerging trends, challenges and opportunities in agriculture and rural development. It promotes innovation and knowledge dissemination to improve agricultural practices and enhances rural productivity.

Financial Performance of NABARD

NABARD being the regulator of RRBs, its major function is to refinance, provide credit and monitor RRBs. NABARD directly does not lend to any potential farmer or person, it works through RRBs.

Financial Inclusion is one aspect of NABARD SHG Bank linkage being its own intiative and rest it works along with various central and state schemes. This study will also study the overall analysis of credit flow to agriculture by RRBs in Jharkhand in Ranchi District. Period of study to analyse the credit potential of RRBs under NABARD in Ranchi district will be 10 years from 2015-2016 to 2023-2024.

Financial Inclusion and NABARD

Financial inclusion refers to the process of ensuring that individuals and businesses have access to affordable and appropriate financial products and services.The goal is to bring the unbanked and underserved populations into the formal financial system, providing them with opportunities to save, borrow, invest,and access insurance services.

NABARD, the National Bank for Agriculture and Rural Development, plays a significant role in promoting financial inclusion in India. Here are key aspects of the relationship between financial inclusion and NABARD.

a. Rural Focus: NABARD has a primary focus on rural development and agriculture. Through its various initiatives, NABARD works to ensure that individuals in rural areas, especially farmers and marginalized communities,have access to formal financial services.

b. Credit facilities: NABARD provides refinancing support to institutions involved in rural credit, including Regional Rural Banks (RRBs),cooperative banks,and microfinance institutions.This facilitates the availalbility of credit to farmers and rural entrepreneurs, promoting financial inclusion.

c. Self-Help Groups (SHGs) and Joint Liability Groups(JLGs): NABARD promotes the formation and strengthening of SHGs and JLGs, particularly among women, as a means of fostering financial inclusion.These groups acts as conduits for microfinance, savings and credit activities in rural areas.

d. Rural Infrastructure Development: NABARD supports projects related to rural infrastructure, including irrigation, roads and warehouses.These projects contribute to the

overall economic development of rural areas and improve financial access for the residents.

e. Financial Literacy Programs: NABARD actively engages in financial literacy and awareness programs to enhance the understanding of financial products and services among rural communities.This is crucial for empowering individuals to make informed financial decisions.

f. Technology Adoption: NABARD promotes the adoption of technology in rural banking, including the use of mobile banking and digital financial services.This helps in overcoming geographical barriers and improving access to financial services in remote areas.

g. Microfinance initiatives: NABARD supports microfinance institutions and initiatives, facilitating small loans for income-generating actitvities in rural communities.This aligns with the broader goal of financial services to those who might not have access to traditional banking.

h. Government Schemes: NABARD collaborates with the government to implement various financial inclusion schemes. For example, it plays a role in channeling funds for schemes like the Pradhan Mantri Jan Dhan Yojna (PMJDY),which aims to provide access to financial services for all.

In summary, NABARD acts as a key drivers of financial inclusion in India, particularly in rural areas. Its multifaceted approach, encompassing credit facilitation, infrastructure development, financial literacy and technology adoption, contributes significantly to expanding financial access and empowering communities.

Financial Inclusion plans and Performance of NABARD

As defined by RBI Financial Inclusion is the process of ensuring access to appropriate financial products and services, needed by vulnerable groups such as weaker sections and low income groups, at an affordable cost in a fair and transparent manner, by mainstream financial players.

Table 1.- Status of FIPs and their achievements

Sr No.	Name of Schemes	Cumulative	Achievements As on 31.03.2022	Outstanding Amount (Rs)
1	Pradhan Mantri Jan Dhan Yojana-A/c-Rupay Card active	1,62,33,388	67,61,451	N/A
2	Pradhan Mantri Jeevan Joyti Bima Yojana-(PMJJBY)	29,92,531	N/A	N/A
3	Pradhan Mantri Suraksha Bima Yojana-(PMSBY)	85,24,618	N/A	N/A
4	Atal Pension Yojana-(APY)	11,01,832	3,12,575	N/A
5	Pradhan MAntri Mudra Yojana-(PMMY)	N/A	1686182	808102.83
6	Stand –Up-India (SUI)	N/A	2549	53934.00
7	PM Street Vendor's Atma Nirbhar Nidhi-(PM-SVANidhi)	50054	28413	
8	Prime Minister Employment Generation Programme	14573	1714	36588.12
9	National Rural Livelihood Mission Bank Linkage (SHG)	323407	146688	366283.44
10	Agrculture Infrastructure Fund_(AIF)-as on 31.03.2022	76	21	N/A
11	KCC Saturation Campaign-crop loan	1318126	369500	N/A
12	KCC Saturation Campaign-AH &Fisheries Farmers	8362	4908	N/A
13	Jharkhand Krishi Rin Maafi Yojana-(JKRMY)	825622	N/A	216768

Source: SLBC, Jharkhand, Ranchi (2023-2024)

State profile

Jharkhand state, "The land of Forests". With a geographical area of 79.72 lakh, which is 2.42% of total geographical area of the country, Jharkhand is the 15th largest state in the country.The State was craved out of Bihar on 15th November 2000. As per census of India, total population of the state is 329.88 lakh (2.7% of India's population).The state consists of 24 districts and its divided into 5 administrative divisions. The city of Ranchi is its capital and other major cities in the state are Jamshedpur, Bokaro, Dhanbad, Deogarh and Hazaribagh.

Of the total 24 districts, the state has 19 districts identified under transformation of Aspirational districts program by NITI Aayog. The ST and SC population constitute 26.19% and 12% of the total state population, respectively. Jharkhand is also the Lac State of India.Contributing to about 59% of the national production of Lac.

The share of total Multidimensional Poor population of the State as per NITI Aayog's National Multidimensional Poverty Index: Baseline Report(November 2021) 42.16% as against all level of 25.01%.

The economy of Jharkhand has grown at an average annual rate of 5.9% between 2011-12 and 2018-19. It grew at an average annual rate of 7.3% between 2011-12 and 2014-15 and 4.8% between 2014-15 and 2018-19. The deceleration in the growth-rate in the second period (2014-15 to 2018-19) has been attributed to unusual contraction in the real GDP of the state by 6.2% during 2015-16.

The State consists of 24 districts and is divided into 5 administrative divisions as given below:

South Chotanagpur-comprising 5 districts- Ranchi, Khunti, Simdega, Gumla and Lohardga

North Chotanagpur- comprising 7 districts- Hazaribagh, Ramgarh, Chatra, Koderma, Giridhi, Bokaro and Dhanbad.

Kolhan- comprising 3 districts- East Singhbhum, West Singhbhum and Sarikel Kharsawan.

Palamu- comprising 3 districts- Palamu, Garhwa and Latehar.

Santhal Pargana-Comprising 6 districts- Sahebganj, Pakur, Jamtar, Deogarh, Dumka and Godda.

The Scheduled Tribe (ST) population of Jharkhand State is as per 2001 census 7,087,068 constituting 26.3 per cent of the total population (26,945,829) of the State. The Scheduled Tribes are primarily rural as 91.7per cent of them reside in villages. District wise distribution of ST population shows that Gumla district has the highest proportion of STs (68.4per cent). The STs constitute more than half of the total population in Lohardaga and Pashchimi Singhbhum districts whereas Ranchi and Pakaur districts have 41.8 – 44.6 per cent tribal population. Kodarma district (0.8 percent) preceded by Chatra (3.8 per cent) has the lowest proportion of the STs Population.

Table 2. FACT SHEET (Data As Per 2011 Census)

Population	32,98,134	No of Division	5
Male Population	16,930,315	No of District	24
Female Population	16,057,819	No of Sub Division	38
Density of Population	414 persons/ Sq.KM	No of Blocks	264
National Highways	1844 KMs	No of Villages	32620
State Highways	6880 KMs	Total Geographical Area	79.70 Lakh Hect

Jharkhand is rich in natural resources like minerals and forests. Jharkhand is known for its mineral wealth (40%) of India ranging from iron and copper ore, asbestos, uranium, mica & kainite(all1st) to chromite (2^{nd}) to coal, thorium, bauxite (all 3^{rd}) to gold (6^{th}) to graphite (8^{th}) and manganese, limestone, china clay, fire clay, silver etc. There are 370 mines of major minerals and 3519 mines of minor mineral in the state. Thus, it provides immense potential for industrialization as well as growth of MSMEs sectors. The major industries is located in the state are iron and steel, automobile, fertilisers, chemicals and cements.

Forests covers has a significant chunk of its landmass of the state with 29.62% of geographical area(23.61 lakh hectors), which provides variety of non timber forsts products(NTFP) like Lac, Sal seeds, Mahua flowers, Tussar etc. The NTFPs are the source of livelihood to large share of tribal population. Major part of state lies on the chotanagpur plateau, which is the source of Koel, Damodar, Brahmini, kharkai and Swarna Rekha rivers whose, upper water sheds lies within Jharkhand. The state has a rich variety of flora and fauna. The state has one national park and 11 wildlife sanctuary providing opportunities to tourism sectors for, specially eco tourisim. It is also the “Lac State of India”, contributing to about 59% of national production of Lac.

Agriculture in the state is mostly dependent on rainfall. The normal rainfall of Jharkhand is 1055mm. The south west monsoon covers most of the annual rainfall. Nearly half of the annual precipitation falls in the month of July and August. The state comes under agro climatic zones VII i.e, eastern plateau and hill region.

1.3 Brief profile of Ranchi District

Ranchi, being the capital city of Jharkhand, has been a focus area for NABARD. Various credit link projects, agriculture, irrigation, farm mechanization, plantation and horticulture including sericulture, forestry and wasteland development, animal husbandry, fisheries, agriculture infrastructure, food and agro processing, Micro, Small and Medium Enterprises, education, housing, renewable energy, micro credit, rural infrastructure, financial inclusion, Farmer Producer's Organisation(FPO), and Off farm sector.

(a) Agriculture

For increasing agriculture production and productivity, the State Govt. has taken major initiatives like seed production, Vishesh Fasal Yojna, Single Window Centre, Watershed Development, Conversion of fallow land to crop area, etc. in addition, schemes like Jharkhand Krishi Rin Maafi Yojna, Samekit Birsa Gram Vikas Yojna, Kisan Sammriddhi Yojna, Horticulture plantation in town area, formation of Jharkhand State horticulture promotion Society and Chambers of Farmers, Development of Post-Harvest and Preservation Infrastructure, Jharkhand Rajya Fasal Sahayata Yojna are also commendable.

(b) Irrigation

To boost irrigated area and crop yield," Pradhan Mantri Krishi Sinchai Yojana" has been launched by the Union Govt, in July 2015. All the districts of Jharkhand have submitted District Irrigation Plans (DIPs) under which a Five year action plan is given for implementation of various components of PMKSY with an integrated approach. The Four major components of PMKSY are (i) Assured Irrigation Benefit Programme, (ii) Har Khet ko Pani, (iii) Per Drop More Crop, (iv) Watershed Development.

(c) Farm Mechanisation Farm mechanization helps in enhancing cropping intensity, efficient use of input, timeliness of farm operations and reduction of crop losses in different stages of farm production and post-harvest operations. The farm machineries like hand tools, animal drawn equipment, power tillers, tractors, power threshers, weeders, harrows, combine harvesters, sprayers and duster, electric and oil motors, processing and hauling equipment helps in efficient utilization of inputs viz. seed fertilisers and water.

(d) Forestry and Watershed Development

Total wastelands in the State is 5.74 lakh ha. Planned efforts are needed for their rehabilitation. Afforestation actitvites like agroforestry, silviculture and social forestry should be adopted to protect agricultural lands from further deterioration arising out of degradation processes. NABARD has prepared a policy for value chain development of

Bamboo sector, for which there is immense potential in the State. The NAFCC Project on, " Enhancing climate resilience of forests and its dependent communities" covering two landscapes in Patratu block of Ramgarh district and Narayanpur block of Jamtara district is being implemented with total financial assistance of Rs24.73 crore, benefitting more than 8000 households in 48 villages. NABARD is the implementing agency for the project.

(e) Animal Husbandry

Animal Husbandry and Dairying are important sources of livelihood and income generation activities especially for small and marginal farmers, women and landless people in Jharkhand. There is abundant potential for diary development in the State, considering the demand and supply gap and increased population of cattle and buffalo as per the latest livestock census. The output of various livestock produce has witnessed increasing trends over the years. The output of milk in the State stands at around 26.83 lakh tonnes in 202-2021 which is an increase of 8% per cent from 2019-2020.

The Government of Jharkhand has launched an ambitious progrmme by name " Pasudhan Vikas Yojana". A special drive to provide Kisan Credit Card (KCC) to 30,000 dairy farmers in the State has been launched. The target is to cover all farmers who are members of dairy cooperatives societies and whose milk are directly procured by JMF.

(f) Fisheries

The fish production in the State has increased significantly in past years. The output of fish production has increased from 1.15 lakh metric tonnes in 2015-2016 to 2.38 lakh metric tonnes in 2020-2021. There is strong domestic demand for fresh water fish in the State and annually more than 40,000 tonnes of freshwater fish are brought from other States to meet the demand and supply gap. The average fish production from tanks and ponds in the State is low at 2,500 kg per ha per annum as against the national average of 3000 kg per ha. In order to boost innovative aquaculture activities in the State, NABARD has prepared a State Banking Plan for Bio-floc and Cage Fish Culture by compiling district-wise projection prepared by District Development Managers (DDMs) in consultation with respective District Fisheries Officers (DFOs).

(g) Agriculture Infrastructure

The State has 2.36 lakh metric tonnes of cold storage infrastructure and bulk of it is meant for multi-purpose use including for storage of fruits and vegetables. The current gap for cold storage infrastructure in the State is around 5.79 lakh MT. The State has total storage capacity of 3.68 lakh MT.The State has total dry storage capacity of 3.68 lakh metric tonnes. Under AMI schemes, 26 godowns were sanctioned in the State upto March 2019 which built 1.57 lakh MT storage capacity.

(h) Food and Agro Processing

Food processing industry in the State is at a nascent stage. Various reports suggest that there are around 1500 food processing units operational in the State,most of which being micro and small units engaged in production of tomato sauce, juices and concentrates, jams and jellies, papad, pickels, grain milling, vadi, spices grinding, etc. Jharkhand is vegetable surplus State, there is a good scope for establishment of vegetable and fruit processing units. A few of the possible interventions in food processing could be in the following items: Tomatoes, Green Peas, Spices, Aonla, Mango, Guava, Litchi, Jackfruit and Custard Apple.

(i) Micro, Small and Medium Enterprises

Jharkhand accounts for 15.88 lakh enterprises which contribute to only 2.5% of the total MSMEs in India. Given the small share of the number of entreprises in the State, there is a huge scope of employment generation and reducing regional imbalances by creating a conducive environment for new enterprises, 99% of them are micro enterprises. Only 10,000 enterprises are small enterprises.

(j) Education

Through a multipronged approach, the government of Jharkhand has improved the quality and reach of education in the State at all levels. Between 2001 and 2018-2019, the literacy rate of the State increased by about 37%. It has facilitated industry academic interaction to improve the employability of youth and also taken rapid strides to mitigate the gender gap in Gross Enrolment Ratio (GRE).

(k) Housing

Pradhan Mantri Awas Yojana (PMAY) scheme was launched in from 20 November 2016, with an aim to build houses for all by 2022. As per the latest information, Jharkhand has already constructed 7,51,571 houses out of the total 12,72,916 houses to be constructed by 2022. The financing structure and institutions for rural housing are not only adequate but also incredulous in providing loans. Moreover, the collateral and documentation required to seek loans from the formal financing institutions are difficult to furnish. Under these circumstances, the rural population end up taking loans from informal sources such as money lenders at exorbitantly high rates of interest.

(l) Renewable Energy

As per the Energy Statistics, 2019 Report, the estimated potential of renewable power in Jharkhand stands at 18,489 MW and it is 1.69 per cent of the total estimated potential available in the country as in March,31,2018. The potential of Renewable energy is largely untapped in the state. The major sources of renewable energy in Jharkhand are solar, biomass and small hydro.

(m) Micro Credit

The Self Help Group Bank Linkage Program piloted by NABARD is the largest microfinance program in the world. The objective of NABARD had been to facilitate sustained access to financial services for the unreached segments of the population viz. the poor in the rural hinterlands through several interventions and innovations by leveraging technology of various products and delivery channels in a cost effective manner

(n) Rural Infrastructure

Investment in rural infrastructure is to provide basic amenities to people that can improve their quality of life. Development of rural infrastructure can lead to improved access to market centres for the rural producers, better availability of inputs and raw materials at reduced prices and improved mobility. It includes rural road, rural electrification, rural water supply system, rural housing infrastructure etc.

(o) Financial Inclusion

Financial Inclusion is the process of ensuring access to appropriate financial products and services needed by vulnerable groups such as weaker sections and low-income groups at an affordable cost in a fair and transparent manner by mainstream financial players. Fifty four Financial Literacy Centres (FLCs) have been established in the State for creating financial literacy among the people. Financial support has been extended by NABARD to banks for financial literacy camps, micro ATMs, PoS, mobile demonstration vans, etc.

(p) Farmer Producer's Organisation (FPO)

As on 31.03.2022, NABARD has registered 183 FPOs in the State, with promotional grant support of Rs 27 crore and total membership of 69,000 farmers. Main business activities of these FPOs include; agri-inputs procurements and sale, arranging crop advisories, aggregation, marketing of produce etc.

(q) Off- farm sector

In order to create marketing opportunities for the rural artisans, SHGs, NABARD has been supporting them to participate in various state and National level melas and exhibitions both inside and outside the State by way of sponsoring stalls.

2. Significance of the study

It is easy to study just one area of the organization and judge its performance, but to evaluate the performance of the entire organization, one has to critically evaluate the performance of the organization as a whole. NABARD as an organization works with both Central and State Ministries. The Government of India and Government of the State

concerned both makes Schemes, take initiatives on rural and agricultural development and NABARD being an apex organization that works after financing and refinancing of such projects,initiatives at both central and state level. NABARD has listed some of it's major functions that it performs. Keeping in view the importance of this orgajisation, it was felt necessary to critically evaluate the functions performed by NABARD, wheather it is performing them the way it should be and is it also performing additional role. This study is the first of it's kind, in nature which provides factual information about the performance of NABARD on financial inclusion programmes, agricultural and allied activities.

3. Review of Literature

- According to **Manish Kumar**[3], there was significant changes found after performance appraisal of BHEL in terms of installation capacity,growth in generation of BHEl, salaries and wages have recorded an increasing trend.
- According to the researcher, **Gupta,Sumit Kumar**[4], despite efforts being made in Dhanbad district, the customer outreach is less. Overall,it can be said that although many initiatives have been taken by Govt. of India, Govt. of Jharkhand, Dhanbad Municipal Corporation, NABARD and lead bank for enhancing financial inclusion in Dhanbad district, the success is not to be found.
- **"Financial literacy the road ahead with special reference to Hazaribag District"[5].** There is a positive effect of financial literacy on socio economic development of any district.On parameters of financial attitude,it was concluded that mpst of the respondents are not maintaining their financial records; savings are not adequate, the insurance coverage is also poor. So people are not financially literate on the basis of our parameter of financial attitude.
- **"Effectiveness of Bank Linkage Programmes for Financial Inclusion in Karnataka".[6]** Bnks have been considered as the mojor drivers of the SHG movement in Mysore District. The policy makers viz., RBI and NABARD have pronounced the propositions for the task of financial inclusion, financial equity as well as efficiency to intermediate banking institutions to intensify the financial literacy.
- According to the researcher **Saxena,Rishabh,"**[7] after making a detailed assessment of the problems of the RRb, it becomes necessary to restore health of the PACS partly by doing away with the cadre system. Support for setting up a cooperative development fund at NABARD for institutional strengthening measures.
- **Bangaru Pushpalata (2020)**[8] analyzed the financial statements of the State Bank of India. The researcher limited the study to 7 years, from 2011 to 2017.
  The researcher used the T-test to determine the relative importance of each variable. The study reported that SBI had healthier management and financial efficiency. It also said people prefer SBI for advance loan schemes.

- **Nandhini Thakur (2020)**[9] analyzed the financial statements of HDFC Bank from 2013-14 to 2017-18. Tools used in this study were ratio analysis, cash and fund flow analysis, and trend analysis. Researchers found that the bank's financial performance was strong and suggested providing more housing loans to the citizens of India for their development.
- **Shweta Yadav and Jonghag Jang (2021)**[10] investigated the impact on the financial performance of HDFC Bank before and after the merger by CAMEL Analysis. The study period includes a five-year prior merger (2003-2008) and a five-year post-merger period (2009-2014). The study states that HDFC Bank's performance has increased after the merger.
- **Dr. Seema Pandit and Jash Gandhi (2021)**[11] compared the performance of SBI and HDFC Bank by applying the CAMEL Model. The results showed that the SBI Bank performed well on Capital Adequacy, Asset Quality, and Management parameters, whereas HDFC Bank performed well on liquidity parameters.

4. Research Gap

After doing the literature review, researcher found that, other research on NABARD and it's financial inclusion programmes on women entrepreneurs, tribal women, SHG-Bank Linkage Programmes, on micro credit, NABARD assistance to MSMEs, research has also been done on the role of NABARD, around Jharkhand, within Jharkhand as well as in different states of India.

Gap was found by the researcher that if so much is done with the help of NABARD be it financial inclusion, micro credit, regulating RRBs, for rural and agricultural development etc,. But no one has analysed the performance of NABARD as an organization.

5.limitations of the Study

Study suffers from various limitations namely, based on secondary data obtained from the published annual reports, State focused papers and as such depend on the accuracy of such data, conclusions will be drawn on the basis of various financial figures which have its own limitations; the annual report of NABARD gives diagnostic indicators but anyone has no access to internal data, therefore inside view of the organization will be difficult to characterize. However, all the said limitations will not affect the quality of research work.

6. Objective of the Study

a.To study the working of NABARD in different sectors of economy with reference to Ranchi District.

b.To analyse the performance of NABARD in context to agriculture finance.

c.To evaluate the Non-Farm sector performance of NABARD.

d.To study the financial Inclusion plan performance of NABARD.

e.To review the performance of schemes for Self Help Groups.

f.To give fruitful suggestions for further improvement in the overall functioning of NABARD.

g. To explore the various challenges faced by NABARD in Ranchi District.

7. Hypothesis

For this research, the researcher has taken two hypothesis, they are as under

H_0 NABARD is fulfilling the objectives for which it has been formed.

H_1 NABARD is not fulfilling the objectives for which it has been formed.

H_0 The dimension of the functions of NABARD is dynamic.

H_2 The dimension of the functions of NABARD is non dynamic.

8. Research Design and Methodology

The required data relevant to the study will be collected both from secondary and primary sources.

(a) Data Collection:

(i) Secondary data- will be collected from relevant Annual reports, government websites,website of NABARD, concerned central and state ministries, government publications, various books, magazines, newspaper and conference proceedings, etc.

(ii) Primary data- will be collected through structured questionnaire/ schedules to be asked from employees and stakeholders.Questionnaire will be asked from the NABARD staffs and other beneficiaries,etc.

SAMPLE SIZE

400 samples will be taken for this research out of which 200 samples will be taken from individual beneficiaries and 150 from the Self Help Groups and 50 will be taken from the RRB employees.

(b) Data Analysis

The collected data will be analysed with the help of several statistical tools like correlation, mean average, median, t-test, Z-test, etc which ever will seem fit at the time of analysis.

(c) Data Interpretation

The data so far analysed will be tabulated and presented through the tables,charts, bar diagrams, pie chart, etc

9. Tentative Chapterisation

Chapter 1: Introduction

Chapter 2: Financial Inclusion Plan and Performance of NABARD

Chapter 3: Agriculture and Allied activities development.

Chapter 4: Hypothesis testing and Data interpretation

Chapter 5: Summary, Findings, Suggestions and Conclusion.

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